

## **Senate Bill No. 102**

### **CHAPTER 397**

An act relating to the state employees, and making an appropriation therefor, to take effect immediately, bill related to the budget.

[Approved by Governor September 27, 2013. Filed with  
Secretary of State September 27, 2013.]

#### **LEGISLATIVE COUNSEL'S DIGEST**

SB 102, Committee on Budget and Fiscal Review. State employees: memoranda of understanding.

Existing law requires the Department of Human Resources to provide to the Joint Legislative Budget Committee any side letter, appendix, or other addendum to a properly ratified memorandum of understanding that requires the expenditure of \$250,000 or more related to salary and benefits and that is not already contained in the original memorandum of understanding or the Budget Act. Existing law requires the Joint Legislative Budget Committee, within 30 days after receiving the side letter, appendix, or other addendum, to determine if the addendum presents substantial additions that are not reasonably within the parameters of the original memorandum of understanding and thereby requires legislative action to ratify the addendum.

This bill would approve the addenda to memoranda of understanding entered into by the state employer and certain bargaining units that require the expenditure of funds, as specified, and would further appropriate \$45,115,000 from the General Fund and other unallocated nongovernmental cost funds for those purposes. The bill would also approve a calculation of final compensation for the Department of Water Resources, State Member Unit 12, as specified.

This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

Appropriation: yes.

*The people of the State of California do enact as follows:*

SECTION 1. The Legislature finds and declares that the purpose of this act is to approve addenda to memoranda of understanding entered into by the state employer and specific state bargaining units that require the expenditure of funds.

SEC. 2. The provisions of the addenda to memoranda of understanding entered into by the state employer and the state bargaining units that require the expenditure of funds are hereby approved for the purposes of Section 3517.63 of the Government Code.

SEC. 3. (a) Addenda to memoranda of understanding entered into by the state employer and the following state bargaining units are hereby approved in accordance with the following schedule:

(1) State Bargaining Unit 5: California Association of Highway Patrol addendum dated June 19, 2013, effective July 1, 2013.

(2) State Bargaining Unit 12: International Union of Operating Engineers addendum dated June 20, 2013, effective July 1, 2013, requiring an appropriation.

(3) State Bargaining Unit 12: International Union of Operating Engineers addendum (Lanterman Developmental Center Closure) dated July 3, 2013.

(4) State Bargaining Unit 7: California Statewide Law Enforcement Association addendum dated July 31, 2013, effective upon approval of this act, requiring an appropriation.

(5) State Bargaining Units 1 and 4: Service Employees International Union Local 1000 addendum dated July 30, 2013, and effective upon approval of this act, requiring an appropriation.

(6) State Bargaining Units 1, 3, 4, 11, 15, 17 and 20: Service Employees International Union Local 1000 addendum (Lanterman Developmental Center Closure) dated July 2, 2013.

(7) State Bargaining Unit 18: California Association of Psychiatric Technicians addendum (Lanterman Developmental Center) dated July 5, 2013.

(8) Bargaining Unit 19: American Federation of State, County and Municipal Employees (Lanterman Developmental Center Closure) addendum dated July 2, 2013.

(9) State Bargaining Unit 8: California Department of Forestry and Fire Protection Firefighters addendum dated August 29, 2013, effective September 1, 2013.

(b) The sum of forty-five million one hundred fifteen thousand dollars (\$45,115,000) is hereby appropriated for the purposes of state employee compensation in accordance with the following schedules:

(1) The sum of eighteen million two hundred eighty-five thousand dollars (\$18,285,000) is appropriated, to the extent set forth in Section 5 of this act, relative to an addendum dated June 20, 2013, for State Bargaining Unit 12 for expenditures in the 2013–14 fiscal year in augmentation of, and for the purpose of state employee compensation as provided in, Items 9800-001-0001, 9800-001-0494, and 9800-001-0988 of Section 2.00 of the Budget Act of 2013 in accordance with the following schedule:

(A) One million four hundred fifty-two thousand dollars (\$1,452,000) from the General Fund in augmentation of Item 9800-001-0001.

(B) Eleven million two hundred seventy-eight thousand dollars (\$11,278,000) in augmentation of Item 9800-001-0494.

(C) Five million five hundred fifty-five thousand dollars (\$5,555,000) from other unallocated nongovernmental cost funds in augmentation of Item 9800-001-0988.

(2) The sum of twenty-six million eight hundred thirty thousand dollars (\$26,830,000) is appropriated, to the extent set forth in Section 5 of this act,

relative to addenda dated July 31, 2013, for those in State Bargaining Units 1, 4, and 7 for expenditures in the 2013–14 fiscal year in augmentation of, and for the purpose of state employee compensation as provided in, Items 9800-001-0494 and 9800-001-0988 of Section 2.00 of the Budget Act of 2013 in accordance with the following schedule:

(A) Seventeen million nine hundred seventy-six thousand dollars (\$17,976,000) in augmentation of Item 9800-001-0494.

(B) Eight million eight hundred fifty-four thousand dollars (\$8,854,000) from other unallocated nongovernmental cost funds in augmentation of Item 9800-001-0988.

SEC. 4. After July 1, 2013, the following calculation for final compensation for the Department of Water Resources, State Member Unit 12, shall apply:

(a) Notwithstanding Sections 20035, 20037, and 20037.8 of the Government Code, “final compensation,” for the purpose of determining any pension or benefit with respect to a Department of Water Resources employee hired before July 1, 2013, in the following job classifications: 3728, 3729, 3730, 3731, 6246, 6259, 6262, 6263, 6265, 6267, 6450, 6451, 6452, 6453, 6454, 6455, 6456, 6457, 6458, 6459, 6460, 6461, 6462, 6463, 6465, 6466, 6467, 6469, who is a member of State Bargaining Unit 12 or a related excluded unit associated with State Bargaining Unit 12, and whose monthly salary range that was to be effective July 1, 2013, was increased pursuant to a memorandum of understanding entered into during the 2013–14 fiscal year, shall be determined in accordance with the provisions of this section.

(b) For an employee who retires or dies on or after July 1, 2013, and prior to July 1, 2014, any pay increase pursuant to a memorandum of understanding entered into during the 2013–14 fiscal year shall not be used in determining “final compensation.”

(c) For an employee who retires or dies on or after July 1, 2014, and prior to July 1, 2015, only 50 percent of the pay increase pursuant to a memorandum of understanding entered into during the 2013–14 fiscal year shall be used in determining “final compensation.”

(d) For an employee who retires or dies on or after July 1, 2015, the entire pay increase pursuant to a memorandum of understanding entered into during the 2013–14 fiscal year shall be used in determining “final compensation.”

(e) The increased costs, if any, that may result from the application of the definition of “final compensation” provided in this section shall be paid by the employer in the same manner as other retirement benefits are funded.

SEC. 5. This act is a bill providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, has been identified as related to the budget in the Budget Bill, and shall take effect immediately.